



IN REPLY
REFER TO

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JUL 10 1996

MEMORANDUM FOR COMMANDERS, DEFENSE CONTRACT MANAGEMENT
DISTRICTS

SUBJECT: DCMC Memorandum No. 96-21, Process Oriented Contract Administration Services
(PROCAS) (INFORMATION)

This is an INFORMATION memorandum. It expires when content is included in DLAD 5000.4, Contract Management (One Book). Target Audience: All DCMC Employees.

As Mark Twain once said, "The reports of my death are greatly exaggerated." The same is true of PROCAS. Contrary to rumor, PROCAS remains fundamental to our business and continues to be an integral part of our operations. I am concerned that all DCMC employees understand that PROCAS is more than a program, more than an eight-step flowchart on a small yellow laminated card, and more than a technique used by quality assurance folks.

PROCAS is more than a "program." It is the way we do our job. It is an approach to finding and implementing process improvements in contractor operations. It embodies the fundamental principles of process management--deciding what's important, getting what's important to work well and then moving onto improve other important things.

You can be doing PROCAS without following the eight-step flowchart. The eight-step process contained in DLAM 5000.4 is a "best practice," a way to get started with contractors, a way that works. Some people think they are not doing PROCAS if they don't have a teaming agreement with the contractor. Not true! We are doing PROCAS as long as we are using process management to improve contractor performance.

PROCAS is more than an approach used by quality assurance personnel. Although quality folks have been the leaders in the focus on the process to achieve improvements, I expect all functions to be on the bandwagon.

Our new Top 7 metrics tie DCMC success to satisfying customers' expectations for contractor performance. We cannot accomplish this without PROCAS, whether it's the eight-step process, or other tailored techniques for process management and improvement. The DCMC Competency Guide describes the necessary tools and techniques, skills and abilities.

The bottom line is PROCAS has passed from the "initiative" stage. Consequently, the activity reporting we previously required (e.g., number of teaming agreements) are being eliminated. Instead we will judge the success of your PROCAS efforts through:



- a. Positive trends in metrics, particularly Right Price.
- b. Internal Operations Assessment findings that confirm workforce behavior is consistent with the DCMC Competency Guidance.
- c. Performance based staffing assessments that show process improvement initiatives are focused on areas at risk.
- d. Sharing of best practices and lessons learned.

PROCAS has entered the lexicon of DCMC, its customers, and senior DoD officials. It's a success that rests on the hard work and dedication of many, many DCMC employees. Now it's time to make the transition from new initiative to normal operating procedure. We should be proud of our accomplishments.


JILL E. PETTIBONE
Executive Director
Contract Management Policy